

**For:** All FSA Offices

**FY 2006 Instructions for De-Obligating Travel Obligations, Requesting Washington-Directed Travel Estimates, and Final Yearend Reprogramming Adjustments**

**Approved by:** Deputy Administrator, Management



**1 Overview**

**A Background**

Currently there is a need to reconcile travel obligations. There is a significant difference between recorded obligations and expenditures. This is a result of:

- travel authorizations not being deobligated
- all relocation obligations being charged against budget object class 2100 (2199 06).

Although many offices project that actual expenditures will be within their allotted funding level, funds not reconciled and de-obligated before the end of FY 2006 will not be available for transfer to the "X" or "no year" account as part of FSA's funding in FY 2007. In addition, funds that are obligated are unavailable to cover shortfalls in other areas this FY.

It is, therefore, imperative that all offices:

- reconcile travel obligations
- de-obligate excess travel obligations for FY 2006 using the TRVL system.

**B Purpose**

This notice:

- instructs all FSA Federal offices (DW1200 report), State Offices, and field offices that receive the DW1200ST report to use the August 2006 report when reconciling travel obligations
- instructs all County Offices to use the August 2006 DW1704CT report when reconciling travel obligations

Disposal Date	Distribution
November 1, 2006	All FSA Offices; State Offices relay to County Offices

## 1 Overview (Continued)

### B Purpose (Continued)

- informs all offices that de-obligation of travel funds must be made in the OnLine Travel System
- instructs all State Offices to estimate Federal Washington-directed travel, relocation, and/or lump-sum expenses
- informs all offices of final yearend reprogramming adjustments.

## 2 De-Obligating Travel Authorizations

### A Types of Travel Authorizations

The following are 5 different types of AD-202 authorizations and their users.

- **Type A - Unlimited Open Authorization (Administrator only).** An unlimited open authorization permits travel for any official purpose for the entire year. Type A authorizations are issued annually and are approved by the Secretary or Under Secretary only.

Type A travel is used by the Administrator only.

- **Type B - Limited Open Authorization.** A limited open authorization is issued annually for employees required to perform frequent, routine, repetitive travel within a work-related geographic area (foreign or domestic).

Type B travel is used by STC, SED, DD, CED, compliance specialists, FLP employees, warehouse examiners, and similar positions requiring frequent, routine, non-local travel within a specified work-related geographic area, such as a State, county, region, or district. For non-routine travel, a Type C authorization is required.

- **Type C - Trip-by-Trip Authorization.** A trip-by-trip authorization is issued for a specific trip that identifies purpose, itinerary, and estimated costs. This is the most commonly used type of travel authorization.

Type C travel is used by all other travelers for trips with specific non-local itineraries, including permanent change of station.

## 2 De-Obligating Travel Authorizations (Continued)

### A Types of Travel Authorizations (Continued)

- **Type L - Local Travel Authorization.** A local travel authorization permits employees of offices to be reimbursed for local travel and related expenses (mileage, tolls, parking, etc.). Local travel is official travel conducted within the boundaries of the official duty station. Type L authorizations are issued annually and renewed at the beginning of each FY.

Type L travel is used by employees traveling within the area of their official duty station.

A manual AD-202 is prepared at the beginning of each FY for COC to establish mileage that is paid through the T&A process. This manual AD-202 is for traveling purposes only and is not entered into the travel system.

- **Type N - Nationwide Travel Authorization.** A nationwide travel authorization can be issued to an official who would qualify as a Type B traveler, except whose responsibilities require regular, nationwide travel. Type N authorizations are also issued annually and are approved by the traveler's approving official.

Type N travel is used by Deputy Administrators, Special Approving Officials, and those positions designated by Deputy Administrators in writing.

### B Reconciling Travel Obligations

Brio reports should be used to reconcile travel obligations and expenditures to actual travel documents on a monthly basis.

National Office divisions and staffs shall receive a copy of their DW1200-P1 Travel Reconciliation Report each month from BUD for reconciling purposes.

Kansas City and APFO offices shall refer to their office's DW1200-P1 report when reconciling travel obligations.

State Offices shall refer to their State DW1200ST report when reconciling travel obligations.

County Offices shall refer to their county DW1704CT report when reconciling travel obligations.

**Note:** The State DW1200ST report and the county DW1704CT report can be found in the Data Warehouse under "State Reports" or "County Reports", as applicable.

## 2 De-Obligating Travel Authorizations (Continued)

### C Types B and C-TDY Authorizations

Type B authorization: The type B authorization is issued for an extended period, often quarterly or annually for frequent, routine, repetitive travel. Funds are obligated at the time the authorization is established in the On-Line Travel System. When a travel voucher is processed against the authorization, the total amount of expenditures paid is recorded. Type B authorizations should have “N” entered in the “Final Voucher” field until the end of the travel period authorized; or until the employee will no longer travel under that authorization number. The remaining balance on the authorization is de-obligated when “Y” is entered in the “Final Voucher” field. “Y” should be entered in the “Final Voucher” field only at the end of the travel period and when the employee will no longer travel under that authorization number.

**Note:** If the type B voucher has “Y” in the “Final Voucher” field, the funds will automatically be de-obligated, which means no other voucher may be processed for that authorization number. If “Y” is entered into the “Final Voucher” field by mistake, a new type B authorization will be required.

Type C-TDY authorization: The type C-TDY authorization is the most commonly used type of travel authorization; they are issued for individual trips. Funds are obligated at the time the authorization is established in the On-Line Travel System. When a travel voucher is processed against the authorization, the total amount of expenditures paid is recorded. The remaining balance on the authorization is de-obligated when “Y” is entered in the “Final Voucher” field. In many cases throughout FY, this field is left blank or has an “N”.

### D Implications If Not De-Obligated

When vouchers for types B and C-TDY authorizations are processed and “N” is entered in the “Final Voucher” field, the amount remaining on the authorization will not be de-obligated making the funds un-usable for other travel. For type C-TDY authorizations, this can occur throughout FY; and for type B authorizations, this tends to occur towards the end of FY. More importantly, all offices that do not timely de-obligate types B and C-TDY travel not only run the risk of being over obligated but also severely limit the agency’s ability to transfer the remaining funds to the no year account for use in the following FY.

**Note:** Although NFCs’ de-obligation program is run approximately 30 calendar days after FY closes, it is imperative that all offices de-obligate all travel obligations that will not be used by September 15, 2006. In an annual year appropriation, this means that all travel funding that is deobligated after September 30 must be returned to Treasury versus being available for transfer to the no year account for the following FY. Offices that deobligate their excess travel funds on internal office logs or records do not accomplish the desired results. De-obligation **must** be reflected in the On-Line Travel System and ultimately in the agency’s accounting system. These funds will then become available for transfer to the no year account.

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### 2 De-Obligating Travel Authorizations (Continued)

#### E De-Obligating Travel Funds

For FY 2006, under Foundation Financial Information System (FFIS) accounting, if final travel vouchers are submitted using “Y” in the “Final Voucher” field, the system will automatically de-obligate outstanding balances. Therefore, if offices are preparing final vouchers for processing, “Y” should be placed in the “Final Voucher” field. This will result in an automatic de-obligation of remaining funds on the travel authorization.

Throughout FY, it is important to monitor travel and ensure that unneeded funds are de-obligated. Offices who use Type B or Type L travel generally estimate their need at the beginning of FY. With FY almost complete, it is suggested that the estimate be updated, and if it is determined that the need should be reduced, AD-202’s can be amended thereby de-obligating unused funds.

### 3 Action

#### A Instructions for De-Obligating Types B and C-TDY Authorizations

De-obligation of travel funds for types B and C-TDY authorizations may be achieved by 1 of the following 2 methods.

##### Method 1

IF...	THEN...
travel is complete and all expenses have been claimed on the travel voucher	ENTER “Y” in the “Final Voucher” field (block 54 of the travel voucher). This will de-obligate the unused funds from the authorization.
voucher has already been submitted and should have been marked <b>final</b> , but was not	<ul style="list-style-type: none"><li>review the authorization in the On-Line Travel System; note the dollar amount in Section D, Un-liquidated Obligation</li><li>amend type B authorizations if additional travel will be charged against the authorization, changing the final dollar amount of the authorization to reflect the remaining amount. If there is no other travel under the B authorization, place a “Y” in the “Final Voucher” field</li></ul> <p><b>Note:</b> Type C authorizations should be canceled to de-obligate unused travel funds.</p> <ul style="list-style-type: none"><li>amend the type B or C-TDY authorization, changing the final dollar amount of the authorization to reflect the remaining amount</li></ul> <p><b>Example:</b> If the remaining funds are \$245, reduce the total of the authorization by that amount.</p> <ul style="list-style-type: none"><li>when the amended authorization has been signed, release the document in the On-Line Travel System. This will de-obligate the \$245.</li></ul>

### 3 Action (Continued)

#### A Instructions for De-Obligation Types B and C-TDY Authorizations (Continued)

##### Method 2

IF...	THEN...
attempting to de-obligate funds without expiring the type B or C-TDY authorization	<ul style="list-style-type: none"> <li>review the authorization in the On-Line Travel System and note the dollar amount in Section D, Un-liquidated Obligation</li> <li>amend the type B or C-TDY authorization for that dollar amount. When the amended authorization has been signed, release the document in the On-Line Travel System. Travel funds are then de-obligated and the travel authorization is still in an active status.</li> </ul>

**Note:** Method 1 is the preferred method to de-obligate funds. It is **recommended** that “Y” be entered in the “Final Voucher” field to de-obligate travel funds.

#### B All Offices Action

All offices shall:

- de-obligate all travel obligations that will not be needed in FY 2006 no later than September 15, 2006
- make corrections directly into the OnLine Travel System by amending Type B, C, and L travel authorizations.

#### C County Office Action

Because of a high level of obligated travel funds, County Offices are requested to review all travel type authorizations to ensure that there are no remaining balances. If there is a balance, take appropriate steps to de-obligate these funds. Also, do the following:

- project the travel requirements for the remainder of FY
- ensure that the amount of travel obligated is in line with the projected need
- de-obligate any funds in excess of the anticipated needs.

**3 Action (Continued)**

**D State Office Action**

By August 31, 2006, State Offices should submit requests for reimbursement of lump-sum payments for the month of September to the federal or non-federal budget analyst for your State. Submit requests for reimbursement of Washington-directed Federal travel or relocation expenses for the month of September to Vernell Jones, BUD, Administrative Expenses Branch (AEB), Federal Operations Section.

Non-Federal requests for reimbursement of Washington-directed travel or relocation expenses should be directed to the non-federal budget analyst for your State.

**E All Offices - Final Year End Reprogramming Changes**

If reprogramming changes are necessary to cover anticipated obligations through September, Offices should submit final year end reprogramming requests to BUD, AEB, no later than August 31, 2006, to the attention of your BUD analyst contact. This will enable budget analyst to prepare FSA-308's or FSA-637's before FY-end close.

**F Contacts**

If there are questions about this notice, contact **1** of the following:

- Vernell Jones, BUD, at 202-720-5149 **for Federal travel**
- Christine Pyles, BUD, at 202-720-8511 (**SEA, NEA, and MWA**) (federal)
- Tracey Blom, BUD, at 816-926-3447 (**NWA and SWA**) (federal)
- Kim Floehr, BUD, at 202-720-3356 (**SEA, NEA, and MWA**) (non-federal)
- Beth Hill, BUD, at 202-720-9862 (**NWA and SWA**) (non-federal)
- Terry Luehrs, KCFO, FAD at 816-926-1142.